



September 12, 2006

**NOTICE TO PUBLIC
RFP #200636**

BANKING SERVICES



The City of Winchester will accept proposals until 2:00 p.m. local time on October 16, 2006, in the office of the Finance Department - Purchasing Division, 15 North Cameron Street, 1st Floor - Rouss City Hall, Winchester, VA 22601 to provide banking services, as specified in the Scope of Services. The Contract will be administered by the City Treasurer.

Offerors should carefully examine the specifications and fully inform themselves as to all conditions and matters, which would in any way affect the equipment/materials/service of cost thereof. Should an offeror find discrepancies in or omissions from the specification or request for proposal, he/she should notify the Finance Director and obtain clarification prior to submitting the proposal. Only questions answered by formal Addenda will be binding; oral and other interpretations or classifications will be without legal effect. Copies of the Request for Proposal may be requested by calling 540-667-1815, Ext. 1477, or by downloading a copy from the City's web site at www.winchesterva.gov/purchasing

The right is reserved, as the interest of the CITY may require, to revise or amend the specifications prior to the date set for opening proposal; the opening date may be postponed if deemed necessary by the City's Purchasing Agent. Such revisions and amendments, if any, will be announced by written Addenda to the specifications. ***In addition, the CITY reserves the right to accept or reject any proposals, in whole or in part, and to waive any informality.***

Any Successful Bidder or Offeror, may at his/her sole discretion, allow any public body, locality, authority, agency, and school board of the Commonwealth of Virginia to participate in this Request for Proposal for the purpose of combining requirements to increase efficiency or reduce administrative expenses.

One (1) original and three (3) copies of proposals are to be submitted in a sealed envelope bearing the Offerors company name, address, the proposal name and number and the date and time due and mailed or delivered to:

City of Winchester
Finance Department - Purchasing Division
15 North Cameron Street, 1st Floor - Rouss City Hall
Winchester, Virginia 22601

BY: Steven Corbit
Purchasing Agent

**CITY OF WINCHESTER
DEPARTMENT OF FINANCE
15 N. Cameron Street
Winchester, VA 22601**

BANKING SERVICES

RFP #200636

September 12, 2006

TABLE OF CONTENTS

	<u>Section</u>
Introduction and Purpose	A
Minimum Qualifications	B
Scope of Services	C
Selection Procedures	D
Submittal Requirements	E
Evaluation Criteria and Selection Process	F
Questions	G
General Provisions	H
Appendix A- Cash Management Program Monthly Summary	I
Hold Harmless Indemnification agreement	J

A. INTRODUCTION AND PURPOSE

INTRODUCTION:

The City, founded in 1744, is the oldest Virginia City west of the Blue Ridge Mountains. Located at the northern entrance to the Shenandoah Valley, the City is the industrial, commercial and agricultural center for the surrounding area, and is the county seat of Frederick County.

The City encompasses 9.3 square miles and is located at the crossroads of U.S. Highways 11, 17, 50, 522, Interstate 81 and State Route 7. Interstate 66, terminating 10 miles south of the City at Interstate 81, provides a third transportation artery to Washington, D.C., 72 miles to the southeast. The City's current population is estimated at 25,000 and employs approximately 500 people.

The City Treasurer has adopted a Cash Management Program and Appendix A is a Summary of Account Activity from July 1, 2005 to June 30, 2006.

PURPOSE:

The purpose of this Request for Proposal (RFP) is to receive proposals to provide a wide range of banking services for the City of Winchester. Although specific requirements are detailed in this document, banks are invited to make any alternate proposals concerning a particular banking service(s) that may result in a more cost-effective delivery of that service(s). Alternate Proposal shall be clearly marked as such.

This Request for Proposal (RFP), plus the resulting agreement, shall be consistent with, and governed by the Act, the Virginia Public Procurement Act (VPPA).

TERM OF CONTRACT:

Length of original contract period shall be from January 1, 2007 until December 31, 2010. This contract may be renewed for one (1) additional twenty-four (24) month period. Either party may terminate the contract at any time by giving written notice to the other party no later than one hundred and eighty (180) days before the termination date. This provision may be exercised only after the contract has been in effect for two (2) calendar months. The City will allow cost increases by the Federal Reserve System to be passed on to the City on an annual basis upon thirty (30) days written notice of the increase.

SCHEDULE OF EVENTS:

- | | | |
|----|-----------------------------------|---|
| 1. | RFP Distribution | September 12, 2006 |
| 2. | Proposal Submissions Due (Part I) | October 16, 2006 at 2:00P.M. local time |
| 3. | Interviews (Part II) | TBD |
| 4. | Award of Contract | TBD |

B. MINIMUM QUALIFICATIONS

All bidders shall provide documentation with their bid submission that they meet or exceed the minimum qualifications stated herein. *Failure to provide this documentation may result in the bid being deemed non-responsive and rejected.*

1. Depository banks must be a Federal or Virginia Chartered bank that maintains its home office or a full service branch within the City of Winchester.

2. Depository banks must maintain sufficient cash and/or portfolio of approved securities for collateralization of City deposits or investments as required under Virginia Security for Public Deposits Act as amended.

C. SCOPE OF SERVICES

The banking services detailed in this section are to be performed for the City on a contractual basis and more than one vendor may be selected to meet the City's following minimum criteria:

1. PRESENT SYSTEMS AND ACCOUNT STRUCTURE

- a. The City currently maintains six checking accounts as part of a Cash Management Program which includes a "Operations Account", and two payroll accounts.
- b. See Appendix A (Attached) – Cash Management Program Monthly Summary for 2006

2. DESIRED BANKING SERVICES

- a. Operating Account:
 - i. On an operational basis, all deposits will be made to the Operating Account. Disbursements will be made from the Operating Account by check for General Expenses other than the zero balance accounts. Transfers are made from the operating account to zero balance accounts, as funds are needed for disbursements (sweep) per account. All balances will be maintained in the Concentration Account. Wire transfers, electronic funds transfers, and ACH debits/credits (incoming and outgoing) will be treated in the same manner as any other deposit or disbursements. All investments will be made from the Operating Account.
 - ii. It is the intent of the City to maintain a single compensating balance in the Operating Account to support activity costs for all accounts. The Operating Account will operate on a "Target Balance". On a monthly basis, the City will be notified of the balance in the operating account and the aggregate float. The bank will then invest the collected balances above the designated "Target Balance" in a Repurchase Agreement or other investment vehicle on a daily basis.
 - iii. The City reserves the right to place the investable balance with another institution should the bank selected as a result of this RFP fail to invest City funds in a competitive manner.
- b. Zero Account Balances:
 - i. The City will maintain one zero balance account (ZBA) for the following purposes:
 1. Trigon B/C B/S – for the disbursement of expenses of this fund.
 2. City State Tax Account – for the disbursement of all expenses of this fund.
 3. Schools State Tax Account – for the disbursement of all expenses of this fund.
 4. City Federal Tax Account – for the disbursement of all expenses of this fund.
 5. Schools Federal Tax Account – for the disbursement of all expenses of this fund.
 - ii. The zero balance account will always maintain a zero balance with an automatic transfer made from the Operating Account at the close of the day to bring the account balance up to its normal zero balance for the disbursements made during the day.
- c. Automated Payroll Deposits:
 - i. Details to be finalized at the time the contract is awarded.
- d. Balance Report Call:

- i. The bank will be required to notify monthly to the Treasurer of the investable balance in the Concentration Account, the applicable rate of interest and the dollar amount of interest earned.
- e. Wire Transfer EFT / ACH Transfers:
 - i. May be utilized for receipt if funds (i.e., State of Virginia Electronic Funds Transfer program direct debits for collection of utility bill payments) and disbursement where practical, as in the case of a large payment of goods and/or services, direct deposit of employee payroll item. The bank should clarify in writing the method and policy of handling transfers and state their policy as to the crediting policy for wire transfers (i.e., same or next day). Transfers should be made via telephone, "on-line" Account Access, or other approved method.
- f. Account Reconciliation:
 - i. The bank will provide monthly a listing by account showing each check paid and the amount paid. Also, checks should be sorted in proper numerical sequence and returned to the City. These lists and checks provided no later than ten (10) business days after the close of each month. The bank will provide "on-line" Account Access and bank reconciliation information.
- g. Stop Payments:
 - i. The ability to order a stop payment on a particular account online or telephone.
- h. Night Depository Service:
 - i. The bank must have a night depository for the City to make after banking hour deposits to be credited to the City's concentration account the next business day.
- i. Courier Service:
 - i. Any bank outside a four (4) block radius around 15 N. Cameron Street, Winchester, Virginia will provide courier service Monday – Friday every week of the year, except National Holidays when both the Bank and the Treasurer's Office are closed.
- j. Investment Services:
 - i. The City may institute the practice of bidding and investing part or all of its surplus or excess funds outside the depository agreement, which arises from the RFP. For all funds not invested directly by the City and in excess of the "Target Balance" required under the banking agreement, the City will utilize a "Repurchase Agreement" system or other investment devices, for the short-term investment of various funds. The term "Repurchase Agreement" is used for illustrative purpose only. Financial institutions may outline any investment vehicle that meets approximately the same criteria. The bank will automatically handle the overnight and weekend investment of the City's excess cash above minimum compensation balance requirements through the use of Repurchase Agreements / other investment vehicles as described below:
 - 1. Each day, all excess City cash balances will be transferred to an investment account.
 - 2. All cash in the investment account will be invested daily in securities (defined as acceptable for pledging purposes under State Law) under an agreement with the bank to repurchase these securities from the City at a specified future date (generally one to three days). The interest rate to be paid on these Repurchase Agreements is to be specified by the bank.
 - 3. All interest earned on Repurchase Agreements will be automatically credited to the Operating Account.
 - 4. A "Repurchase Agreement / Investment Form" form will be issued and delivered to the City monthly. The form will show the following:
 - a. *The description of the securities purchased including amount, interest rate, maturity, etc.
 - b. *The maturity date of Repurchase Agreement (defined as the next banking day).
 - c. *The settlement date for the purchase.

- d. *Safekeeping receipt information.
 - e. *The City's name and address as buyers of the securities.
 - 5. On the maturity date of the agreement, the bank will repurchase the securities from the City for the amount originally invested by the City plus interest earned for the period. The original amount and interest will be credited to the Operating Account.
- k. Non-sufficient Funds:
 - i. Checks processed by the bank which have non-sufficient funds should automatically be resubmitted for payment the next banking day, before being returned to the City as a NSF check.
- l. Collateral:
 - i. The bank must pledge collateral security as specified by state law. At no time shall the amount on the deposit exceed the par value of securities pledged less maximum insurance coverage provided by the Federal Deposit Insurance Corporation. Acceptable security and specific regulations regarding collateral requirements are outlined in the Virginia Security for Public Deposits Act, set forth by the Commonwealth of Virginia Treasury Board.
- m. Cost of Service:
 - i. It is the intent of the City to pay for all services specified within this proposal document. Other banking services and documents not detailed on this proposal form will be provided to the City at no cost. Such services include the availability of bank staff to consult with City staff concerning bank service procedures and performance; such documents would include but not be limited to deposit slips, advices, and stop payment forms. The City will provide the checks for all accounts.
- n. Required Reports:
 - i. The following are the minimum report requirements to be provided to the City:
 - 1. Individual monthly bank statements for all accounts effective the last working day of each month. It will report both beginning and ending balances, along with all deposits, check transfers, debits and other credits posted to the account during the month. Provisions of item six may be incorporated with the report (due to the City within five (5) working days after the close of the month).
 - 2. Summary of all investment vehicles entered into for the month. This report will include; date, repurchase agreement number, amount, settlement date, interest rate, and interest earned. Total interest earned for the month should also be shown (due to the City within three working days after the close of the month).
 - 3. Written notification of investments made in repurchase agreements. See item 10-D under Desired Banking Services.
 - 4. Monthly account analysis for the operating account, payroll accounts, and all zero balance accounts. This statement should show all costs relating to the monthly maintenance of the accounts. In addition, a combined Account Analysis should also be prepared summarizing all activity under the Cash Management Program (due to the City within five (5) working days from the close of the month).
- o. Master Card / Visa Program:
 - i. Ability to offer full service line of products which include, but not limited to: card processing, debit card processing, and internet services through bank or affiliated vendor.
- p. Procurement Card Program:
 - i. Ability to offer full service line of procurement card products and services which include, but not limited to:
 - 1. Security and Fraud Protection
 - 2. Administrator Rights

3. Reports Management
 4. Transactional Card Types
 - a. For example, Multi-card/integrated solution
 5. Real time Maintenance
 6. Fees and Charges
 7. Business Incentives
 8. Merchant Acceptance
 9. Systems and Software Required
 10. Cardholder Capabilities
 11. Implementation, Training, Support and Consulting
- q. Securities Safekeeping:
 - i. Bank must have the ability to safe keep all purchased securities.
 - r. Additional Services:
 - i. The City utilizes other banks to provide services for special items such as special grants funding and unique programs (i.e. bad proceeds and trustee accounts) and the City may request the successful contractor to assist.
 - s. Fee and Cost Structure:
 - i. The proposal will be on a variable cost basis. Under the variable proposal method, actual monthly services will be counted and the volume of transactions will be computed to determine the compensating balance required supporting activity. The compensated balance for the first month of the contract will be based on the amount established on the proposal form and adjusted up or down the next month based on prior month actual activity.
 - ii. The method of calculating the “Target Balance” should be clearly shown on the proposal.
 - iii. The bank will prepare a monthly billing for the services rendered. This billing must be presented in a format similar to the proposal form with a total for all service charged for the month. The “Target Balance” established at the beginning of a month would remain constant during the month and increase or decrease based on monthly averages available.

D. SELECTION PROCEDURE

This Request for Proposals is divided into two parts:

Part I - Submission of Firm Experience and Qualifications; and

Part II - Interviews and presentations from Part I short-listed firms, only.

In general, the selection of a ‘full service’ company will be conducted by the following process:

PART I

1. Statements of firms’ experience and qualifications must be submitted in the form defined under SUBMITTAL REQUIREMENTS (Section E).
2. *A Selection Committee* composed of City Staff will evaluate and rank all firms.
3. Firms will be evaluated and ranked in accordance with the Part I – EVALUATION CRITERIA detailed in Section F.

PART II

1. Based on the results of the process to this point, the highest ranked firms will be invited to make a presentation to the *Selection Committee*. The *Selection Committee* will also conduct formal interviews with these firms.

2. The *Selection Committee* will complete the final evaluation and rank the firms as set forth in Section F below, in order to identify up to one firm whose professional qualifications and proposed services are deemed most meritorious per VA Code §2.2-4301.

In compliance with VA Code § 2.2-4301, negotiations shall be conducted, beginning with the top ranked offeror. If an agreement, satisfactory and advantageous to the CITY can be negotiated with conditions considered fair and reasonable, the award shall be made to that offeror. Otherwise, negotiations with the offeror ranked first shall be formally terminated and negotiations conducted with the offeror ranked second, and so on until such an agreement can be reached.

The *Selection Committee* shall recommend the appropriate firms to the City Purchasing Agent for award.

E. SUBMITTAL REQUIREMENT

The CITY seeks professional organizations that have the experience, qualifications and qualities described herein. Proposals shall be clear and concise, avoiding excessive content and unrelated work samples. Proposals shall not exceed 45 pages.

1. SUBMITTAL CONTENT – PART 1

Proposal Submittal shall contain the following information presented in the following order:

- a. List of the five most relevant references within the last five years, including: short descriptions, dates and client references (include client contact person, address and phone number), preferably government agencies.
- b. Summarize qualifications of key individuals by facility to be assigned to the work. Full resumes may be attached as an appendix. Information and/or resumes must exhibit qualifications and experience of the individual in the type of work to be conducted with emphasis on services similar in nature to those expected.
- c. List the outside services to be used. Describe the anticipated scope of work by sub-consultants and how they will be coordinated. Specific names of sub-consultants are not required at this time. The intent of this section is to ascertain what outside services the firm will require.
- d. Show that the firm has a working knowledge of the proposed banking services, regulations and processes requested by the City of Winchester.
- e. Method of determining interest rates on repurchase agreements or other investment vehicles.
- f. Financial statements for the last two fiscal years.
- g. The firm shall include its earnings credit allowance for the period July 1, 2005 through June 30, 2006.

- h. The offeror should specify its reserve requirements rate and describe the method for calculating its earnings allowance from Treasury bill rates.
- i. Provide non-binding fee and rate schedule for requested Scope of Work.
- j. Verify that required insurance coverage is available (*insurance certificates need not be submitted until the award stage*).
- k. Provide a signed hold harmless indemnification agreement (see Section J).

2. **SUBMITTAL CONTENT – PART II**

Part II will consist of three sections:

- a. Presentation by Firms and Formal Interview. Summarize the capabilities of the firm to meet the needs of the CITY. Presentation should depict how staff will be organized to accomplish the work and where they will be located. Demonstrate the availability of resources for the successful completion of the services. Question and Answer period.
- b. Proposed, non-binding fee and cost structure for the company, as well as its standard terms and conditions for the work.
- c. Identify any requested Amendments to the Standard Agreement.

F. EVALUATION CRITERIA AND SELECTION PROCESS

Each member of the *Selection Committee* will individually evaluate each firm on the basis of the following criteria. Thereafter, each member will rank the firms, from first to last. The *Selection Committee* will then develop a composite ranking of each firm.

PART I - Evaluation Criteria

- Experience and qualifications of key individuals to be assigned to the work.
- Qualifications and experience of the firm in performing requested services.
- Degree of firm's capability to perform outlined tasks.
- Familiarity with local government requirements.
- Non-binding cost of services

PART II - Evaluation Criteria

- Final adjustments to Part I criteria may be made by each member of the *Selection Committee* upon conclusion of the interview.
- References: Three references will be reviewed before the *Selection Committee* selects.

Compensation: Offeror will not be compensated for the cost of proposal preparation whether or not an award is consummated.

Investigations: The *Selection Committee* may make such reasonable investigations, as it deems proper and necessary to determine the ability of the firm to perform the work. The *Selection Committee* and/or its representative(s) reserve the right to inspect the firm's physical premises prior to award to satisfy questions regarding the firm's capabilities.

G. QUESTIONS

Questions regarding this solicitation must be submitted in writing at least two days prior to the proposal due date. The CITY will issue a written addendum to any inquiries that alter the scope of the proposal. All other contacts with City personnel concerning this solicitation are discouraged. Submit inquiries to:

Mark Garber
City of Winchester Treasurer
15 N. Cameron St
Winchester, VA 22601
540-667-1815 Ext. 1424
mgarber@ci.winchester.va.us

H. GENERAL PROVISIONS:

SUBMISSION OF PROPOSALS:

Sealed Proposals to providing banking services for the City of Winchester will be received by the Purchasing Agent on or before October 16, 2006 at 2:00pm local time.

The right is reserved, as the interest of the City may require, to revise or amend the specifications prior to the date set for opening proposals; the opening date may be postponed if deemed necessary by the Finance Director. Such revisions and amendments, if any, will be announced by written Addenda to the specifications. In addition, the City reserves the right to accept or reject any and all proposals, in whole or in part, and to waive any informalities.

One (1) original and three (3) copies of proposals are to be submitted in a sealed envelope bearing the Offerors company name, address, the proposal name and RFP number and the date and time due and mailed or delivered to:

City of Winchester
Finance Department - Purchasing Division
15 North Cameron Street, 1st Floor - Rouss City Hall
Winchester, Virginia 22601

LATE PROPOSALS:

It is the responsibility of the firm to insure the Purchasing Agent receives the submittal by the proposal due date and time. No submittals or modifications to submittals will be accepted after the proposal due date/time. Late Proposals will be returned to offeror unopened, if the container is properly identified with the firm's return address.

ACCEPTANCE OR REJECTION OF PROPOSALS:

The CITY reserves the right to waive information in Proposals, to reject any or all Proposals after all have been examined or to accept the Proposal(s) of the Offeror(s) which it deems most favorable to the interests of the CITY in accordance with the VPPA.

ADA REASONABLE ACCOMMODATION CLAUSE:

If you need any reasonable accommodation for any type of disability in order to participate in this procurement, please contact the Purchasing Department at (540) 667-1815 prior to October 4, 2006 to make arrangements.

PROPRIETARY INFORMATION:

Proposal sections containing trade secrets or proprietary information submitted by an offeror in connection with a procurement transaction shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the offeror must invoke the protection of this section prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary.

DRUG FREE WORKPLACE:

During the performance of this contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions are binding upon each subcontractor or vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the Contractor agrees as follows:
 - a. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - b. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
 - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
2. The Contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

PROMPT PAYMENT OF BILLS:

1. To Prime Contractor:
 - a. Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the contract number and/or the purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

- b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
 - c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the contract price, regardless of which public agency is being billed.
 - d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail.
 - e. Unreasonable Charges: Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the City shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges, which are not in dispute (Code of Virginia, § 2.2-4363 and City Code 21-61).
2. To Subcontractors:
- a. A Contractor awarded a contract under this solicitation is hereby obligated:
 - (1) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the City for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
 - (2) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
 - a. The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the City, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the City.

INSURANCE:

The selected firm shall provide certificates of insurance coverage, pay premiums and keep in force until the expiration of this contract the following policies (*minimum coverage amounts listed*):

- a. Comprehensive General Liability - \$1,000,000 each occurrence bodily injury, and \$1,000,000 each occurrence property damage. The CITY shall be included as additional insured.
- b. Workers' Compensation and Employer's Liability – Statutory coverage for Virginia.
- c. Professional Liability Errors and Omissions Insurance – Not less than \$1,000,000 limit. Sub-consultants shall provide limits commensurate with the responsibilities of their work.

LICENSES AND PERMITS:

Contractors will be responsible for all licenses and permits if required.

NON-APPROPRIATION OF FUNDS:

- A. In the event that funds are not appropriated for this Contract for any City fiscal year, following the City's current year, the Contract shall terminate automatically as of the last day for which funds were appropriated without the City providing written notice to the Contractor prior to the date of termination.
- B. The City shall not consider termination of the Contract pursuant to this section default. Upon such termination, the City shall be released from any obligation to make future payments and shall not be liable for cancellation or termination charges.

PENALTIES AND INTEREST:

Any provision of this Contract which requires or attempts to require the City to pay interest or late payment penalties, costs, fees or expenses, including but not limited to attorney's fees, shall be void and shall have no force or effect.

LIABILITY LIMITATIONS:

Any provision of this Contract which limits or attempts to limit the liability of the Contractor shall be void and of no force or effect.

AVAILABLE REMEDIES:

Any provisions of this Contract, which limits or attempts to limit any remedies available to the City shall be, void and shall have no force or effect.

ARBITRATION:

Any provision of the Contract which requires or attempts to require the parties to submit disputes to binding or non-binding arbitration shall be void and shall have no force or effect.

GOVERNING LAW:

The provisions shall govern this Contract hereof and by the laws of the Commonwealth of Virginia. Any dispute arising out of this Contract shall be resolved in the Courts of the Commonwealth of Virginia in and for the City of Winchester.

HOLD HARMLESS CLAUSE:

Bids shall provide that during the term of the contract, including warranty period, for the successful bidder indemnifying, defending, and holding harmless the City, its officers, employees, agent and representatives thereof from all suits, actions, claims of any kind, including attorney's fees, brought on account of any personal injuries, damages, or violation of rights sustained by any person or property in consequence of any neglect in safeguarding contract work, or on account of any act or omission by the contractor or his employees, or from any claims or amounts arising from violation of any law, bylaw, ordinance, regulation or decree. The vendor agrees that this clause shall include claims involving infringement of patent or copyrights.

COOPERATIVE PROCUREMENT:

Any successful Bidder or Offeror, may at his sole discretion, allow any public body, locality, authority, agency, and school board of the Commonwealth to participate in the Invitation to Bid or Request For Proposal for the purpose of combining requirements to increase efficiency or reduce administrative expenses.

EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED

During the performance of this contract the successful bidder will not discriminate against any employee because of race, religion, color, sex, disability or national origin, except where such is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.

CONFLICT OF INTEREST / BIDDERS RELATIONSHIP TO THE CITY

By signature of this bid, the firm (or individual) has no business or personal relationship with any other companies or persons that could be considered as a conflict of interest or potential conflict of interest to the City of Winchester, and that there are no principals, officers, agents, employees, or representatives of this firm that have any business or personal relationships with any other companies or person that could be considered as a conflict of interest or a potential conflict of interest to the City of Winchester, pertaining to any or all work or services to be performed as a result of this request and any resulting contract with the City of Winchester.

EXPENSES INCURRED IN PREPARING BID

The City accepts no responsibility for any expense incurred in the bid preparation and presentation, such expenses to be borne exclusively by the bidder.

QUALIFICATIONS OF OFFEROR'S

Each offeror may be required, before the award of any contract, to show to the complete satisfaction of the Finance Department-Purchasing Agent, that it has the necessary facilities, ability, and financial resources, to furnish the service or material specified herein in a satisfactory manner. The offeror may also be required to show past history and reference which will enable the Finance Department-Purchasing Agent, to be satisfied as to the offeror's qualification. Failure to qualify according to the foregoing requirements will justify proposal rejection

BIDDER RESPONSIBILITY

Before submitting a bid, each bidder shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the full performance of the contract, and to verify any representations made by the City that the bidder will rely upon. No pleas of ignorance of such conditions and requirements resulting from failure to make such investigations and examinations will relieve the successful bidder from its obligation to comply in every detail with all provisions and requirements of the contract documents; nor will it be accepted as a basis for any claim whatsoever for any monetary considerations on the part of the successful bidder.

CONTRACTUAL DISPUTES

Disputes shall be addressed in accordance with section 21-61 of the Winchester City Code.

ETHICS IN PUBLIC CONTRACTING

This proposal incorporates by reference but is not limited to the provisions of law contained in the Virginia Conflict of Interests Act, the Virginia Governmental Fraud Act, Article 2 and 3 of Chapter 10 of Title 18.2 of the Code of Virginia as amended, and Article VII of the City of Winchester Purchasing Ordinance.

TERMINATION

Termination for Convenience: The City of Winchester may terminate a contract, in whole or in part, whenever the City determines that such termination is in the best interest of the City, without showing cause, upon giving ten (10) days written notice to the vendor.

Termination for Default: When the vendor has not performed or has unsatisfactorily performed the contract, the City may terminate the contract for default. Upon termination for default, payment may be withheld at the discretion of the City. The Vendor will be paid for work satisfactorily performed prior to termination.

MODIFICATION AND WITHDRAWAL OF BIDS

Before the bid opening, bids may be modified or withdrawn by an appropriate document duly executed (in the manner that a bid must be executed) and delivered to the place where bids are to be submitted at any time ***prior*** to opening of the bids. The request for withdrawal or modification must be in writing and signed by a person duly authorized to do so.

After the bid opening, the City reserves the right to allow the withdrawal of bids, except as allowed by the Code of the City of Winchester, Virginia, Section 21-43, which states "the Bidder shall give notice in writing of his claim within two (2) business days after conclusion of the bid opening procedure." Bidder shall submit to the City his original work papers, documents and materials used in preparation of his bid sought to be withdrawn.

AWARD OF CONTRACT – NON-PROFESSIONAL RFP

Selection shall be made of one (1) or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the RFP. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror selected, the City shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror. The City may cancel this RFP or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. (Section 2.2-4359D, Code of Virginia.) Should the City of Winchester determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of this solicitation, and the Contractor's proposal as negotiated.

**I. APPENDIX A – CASH MANAGEMENT PROGRAM MONTHLY
SUMMARY FOR 2006**

CITY OF WINCHESTER

CASH MANAGEMENT PROGRAM		
SUMMARY OF ACCOUNT ACTIVITY		
JULY 01, 2005 - JUNE 30, 2006		

[illegible]

[illegible]

J. HOLD HARMLESS AGREEMENT – RFP #200636

This agreement between the City of Winchester, and _____ shall, for the term of the contract, including warranty period, indemnify, defend and hold harmless the City, its officers, employees, agents and representatives thereof from all suits, actions, claims of any kind, including attorney's fees, brought on account of any personal injuries, damages, or violation of any rights sustained by any person or property in consequence of any neglect in safeguarding contract work, or on account of any act or omission by the contractor/vendor or his employees, or from any claims or amounts arising from violation of any law, bylaw, ordinance, regulation or decree. Contractor agrees that this clause shall include claims involving infringement of patent or copyrights.

Contractor: _____

Address: _____

Name & Title: _____

Signature: _____

Date: _____